

Sri K. PUTTASWAMY.—Sir, I have already moved. When I was moving the motion, the Hon. Member Sri Nanjegowda raised a point of order.

MR. SPEAKER.—Anyway, you may move it again.

Sri N. CHIKKE GOWDA.—Sir, just now the Hon. Minister laid the Annual Financial Statement on the Table of the House. But we have not yet received copies of the same.

MR. SPEAKER.—The Hon. Minister has laid it on the Table of the House. That Statement has nothing to do with the Bill that is now being sought to be moved for consideration. The Hon. Minister may move the consideration motion.

**mysore electricity (taxation) consumption
(amendment) bill 1970**
Motion to Consider

Sri K. PUTTASWAMY.(Minister for Parliamentary Affairs): Sir, As per your direction, I would like to move the motion once again. I beg to move.

“That the Mysore Electricity (Taxation on Consumption) Amendment Bill, 1970, be taken into consideration.”

MR. SPEAKER—Motion moved.

“That the Mysore Electricity (Taxation on Consumption) (Amendment) Bill, 1970, be taken into consideration.

There are amendments proposed by Hon. Members Sri Shamanna and Sivappa they may also be moved.

Sri T. R. SHAMANNA(Fort):—Sir, I move the following Amendment.

“That the Mysore Electricity (Taxation on Consumption) (Amendment) Bill, 1961 be circulated for eliciting public opinion by one months.”

MR. SPEAKER.—Amendment moved.

“That the Mysore Electricity (Taxation on Consumption) (Amendment) Bill, 1970 be circulated for eliciting public opinion by one month.”

Sri S. SIVAPPA.—Sir, I beg to move.

“That the Mysore Electricity (Taxation on Consumption) (Amendment) Bill 1970 be circulated for eliciting public opinion within 90 days.”

MR. SPEAKER.—Amendment moved.

“That the Mysore Electricity (Taxation on Consumption) (Amendment) Bill, 1970 be circulated for eliciting public opinion on within 90 days.”

All the three months are before the House for discussion.

(*Mr. Deputy Speaker in the Chair*)

† **SRI K. PUTTASWAMY** :— As you rightly observed, the Bill is very simple, in the sense that it is very short. Sir, the amendment seeks to amend Section 3 of the Mysore Electricity Taxation on Consumption Act, 1959. As the House is aware, under Section 3 of the Act, the tax leviable on every unit of electrical energy consumed should not exceed 3 paise. Sir, under this provision Government have issued a notification levying a tax on energy on several categories of consumers. Sir, the present amendment is to substitute six paise in place of three paise. If this is agreed to by the Hon. Home, Government will get power to levy a tax on every unit of electrical energy.....

SRI S. SIVAPPA :— On a point of order, Sir. The present Bill is with regard to taxation of electricity energy and the concerned port-folio Minister is present in the House. But the Bill is being moved by the Minister for Parliamentary Affairs.

MR. DEPUTY SPEAKER :— The Minister for Parliamentary Affairs has already moved the motion. He is only explaining the provisions of the Bill.

SRI K. PUTTASWAMY :— If this amendment is approved by this Hon'ble House, Government gets the power to levy tax not exceeding six paise on every unit of electrical energy, consumed.

Sir, a question was raised and a pertinent question was raised by the Hon. Member Sri Siddaveerappa about the realisation of the tax if the present amendment is agreed to. Sir, as I have already said, on the basis of the present levy of 3 paise, we are now realising Rs. 3,33,36,000. I have also said that the Government have not levied 3 paise on every category of consumer, on certain categories 3 paise is levied, on certain other categories one paise is levied and on some industries, 5 paise is levied. It varies from category to category. If the Government increases the tax by 50 per cent under this Bill, Government is likely to realise Rs. 4,98,18,000.

SRI L. SRIKANTIAH :— If at three crores you get a certain income, at double the taxation, it must give you double that, namely 6 crores and odd.

SRI K. PUTTASWAMY:— Suppose Government increases the tax by 50 per cent, we are going to realise Rs. 4,98,18,000, which means 1.65 crores extra. At present Government has no intention of levying maximum tax. Only it empowers Government to levy tax not exceeding 6 paise. Government will have to consider separately.....

SRI L. SRIKANTIAH:— What is the proportionate increase in each item?

SRI K. PUTTASWAMY:— Sir, I think it is much better I give you categories of consumers who are paying 3 paise tax:

Domestic lighting, fan
domestic power
commercial lighting, fans
commercial power
L. T. industries.

These are cases where the Government is levying 3 paise for every unit of electrical energy.

High tension industries	1.5 paise
Street lighting	1.00 paise
I. P. sets	1.00 paise
water works light	3 paise
water works H. T.	1.5 paise
MISL	.5 paise

Kolar Gold Mining Undertaking-no-tax-This is the tax being levied on every category of electrical energy consumed. If this is increased by 50 per cent, Government is going to realise Rs. 1,65,000 more. If this is increased by hundred per cent, they will realise Rs. 333 lakhs.

SRI L. SRIKANTIAH.— I would like to have the information this way. You have given the rate for each item. After the increase in rate the maximum would be 6 paise. We would like to know industry-wise or sectorwise by how much the Government intended to increase, what is the proportionate income and what is the actual return?

4-00 P. M.

SRI K. PUTTASWAMY.— I was stating that the present Act empowers Government to levy a tax not exceeding 3 paise. If the Bill is agreed to by this House, it empowers Government to levy a tax not exceeding 6 paise and so it is not possible to calculate and tell the House how much we are going to realise.

SRI S. SIVAPPA.— So it is a blank cheque.

SRI K. PUTTASWAMY.— It is not a blank cheque. I gave information about the present realisation from each category of

consumers. Suppose it is increased by 50%, we are going to get Rs. 165 lakhs.

SRI S. SIVAPPA.— You have not decided by how much it has to be increased.

SRI K. PUTTASWAMY.— That is a thing which will have to be done after knowing the opinion of the House.

SRI S. SIVAPPA.— Sir, I request you not to permit the Minister to proceed with the consideration of this Bill because the Government are not clear in their own minds as to what is the percentage of increase in the tax they want to take. They want to take blank cheque from this House. They want to mislead this House. They are not in a position to give a clear picture as to by how much they are going to increase and what is the amount they are going to realise. They only say that if this is done we are likely to get this. We do not want 'ifs' and 'buts'. We want accurate figure as to what is the percentage of tax increase, what is the figure they want to realise, etc. We are not prepared to give them a blank cheque. From that point of view this Bill is not properly drafted and I request you to direct the Hon. Minister to take back this Bill and bring up a fresh Bill giving all the details.

SRI P. VENKATAGIRIYAPPA.— There is no financial memorandum attached to this Bill.

SRI L. SRIKANTAIH.— We want certain clarifications. The Minister said that if we agree to the proposed increase then it will be 6 paise. But he has given a figure to the effect that we are getting Rs. 165 lakhs, but he has not made clear what is the proportionate increase on each item and on each sector. He simply assumes that the increase is by 50%. On what basis did he arrive at this figure of Rs. 165 lakhs? What is the proportionate increase on each item? We want this information.

SRI B. B. SAYANAK.— May I know why the Government has not supplied copies of this statement to us?

SRI K. PUTTASWAMY.— I am prepared to give whatever information Hon. Members want. I can also give the break-up of the tax collection that the Government are now getting:

	Rs. (in lakhs)
Domestic lighting and fans	47.7
Domestic power	15
Commercial lighting and fans	15.6

(Sri K. PUTTASWAMY)

Commercial power	..	...	7.5
L. T. Industries	...	...	55.42
H. T. Industries	...	...	108.99
Street lighting	...	...	4.6
I. P. Sets	...	...	17.6
Water Works H. T.	...	...	4.5
Water Works L. T.	...	...	2.25
M. I. S. L.	...	...	.75
Kolar Gold Fields	...	...	Nil
Sandur Manganese Ore Co.	...	...	2 125
Indian Aluminium Co., Belgaum	...	...	3.72

As far as the tax that we are likely to realise is concerned, it all depends upon at what rate we are going to levy. The Bill asks for power to levy the tax up to 6%. Now the Legislature has given power to Government to tax up to 3%, but in all cases we have not levied at the rate of 3% which is the maximum. In certain cases the Government have levied at 1 paise, 1.5 paise, and .25 paise. Therefore, it is not possible to say what exactly is the amount that Government is going to get during 1970-71; it all depends upon the notification that the Government is going to issue.

SRI L. SRIKANTAIAH.— You have given the figures of Rs. 4 crores and Rs. 165 lakhs. What is the relation between the two ?

SRI K. PUTTASWAMY.— If Government were to increase the tax by 50% they would get Rs. 4,98,18,000.

SRI L. SRIKANTAIAH.— That is by increasing the existing taxation by 50%.

SRI K. PUTTASWAMY.— Yes, but that depends upon the rate that we are going to notify. I would like to know the views of this House. When the Bill is discussed, I am sure, Hon. Members will give expression to their opinion regarding the reasonable tax for each category of consumers. Government will take note of it and will then issue a notification levying the tax. In a tax of this kind it is not possible to levy at a uniform rate on all categories of consumers.

SRI L. SRIKANTAIAH.— It cannot be exactly Rs. 165 lakhs. Government stated in the beginning that at present the maximum rate is 3 paise and that has not been charged on all items in all categories and that the tax is charged at 1 paise and .5 paise etc.

SRI K. PUTTASWAMY.— As far as the tax that the Government are going to levy under the provisions of this Bill, is concerned, it all depends upon the opinion that is going to be expressed in this House. I can assure this House that Government will take note of the opinion expressed in the House and then issue the notification. However, I want to bring to the notice of this House only one factor that from only one item, namely, High Tension Industries, we are getting Rs. 108.99 lakhs; nearly one-third of the tax is being realised from the industries which are taking power from High Tension.

SRI L. SRIKANTAIH.— K.G.F. is a Central Undertaking. Why are you not charging this tax to K.G.F.? What is the special preference for the Central Undertaking?

SRI K. PUTTASWAMY.—I will explain why no tax is levied on that. Hon. Members know that K.G.F. Undertaking is not a very profitable concern. Government are continuing it because they want to mine the gold from this area, otherwise, it is going to result in unemployment.

SRI L. SRIKANTAIH.— Would the Government give the same concession to all industries which are undergoing a loss?

SRI K. PUTTASWAMY.— That is a point on which I would like to have the views of this House. With these observations, I request the Hon. House to kindly take up this Bill for consideration.

MR. DEPUTY SPEAKER.— The House will now adjourn for half an hour.

The House rose at Ten Minutes past Four of the Clock and reassembled at Five of the Clock.

[Mr. Deputy Speaker in the Chair]

ADJOURNMENT MOTION. REGARDING POLICE FIRING AT SHIMOGA

Dated 31st March 1970

MR. DEPUTY SPEAKER:—Now we shall take up the adjournment motion. Hon Member Sri S. Bangarappa to motion.

SRI S. BANGARAPPA (Sorab). Sri, I beg to move the move.

..That this House do now stand adjourned for the purposes of discussing a matter of urgent public importance, viz., the situation arising out of firing in Shimoga town that took place on 31st March 1970.